Data Sheet

USAID Mission: Ukraine

Program Title: Good Governance

Pillar: Democracy, Conflict and Humanitarian Assistance

Strategic Objective: 121-0224

Proposed FY 2004 Obligation:\$7,717,000 FSAPrior Year Unobligated:\$3,633,000 FSAProposed FY 2005 Obligation:\$8,117,000 FSA

Year of Initial Obligation: FY 2003 Year of Final Obligation: FY 2007

Summary: USAID's good governance program in Ukraine promotes assistance aimed at increasing autonomous and responsive local self-governance; more effective, independent, and representative legislature; and adherence to the rule of law.

Inputs, Outputs, Activities:

FY 2004 Program:

Autonomous and responsive local government (\$6,717,000 FSA, \$2,832,754 FSA carryover). USAID will complete the successful project with the Association of Ukrainian Cities (AUC) that provides training and technical assistance for member services, communication and advocacy. The expected impact includes legislative advocacy and information dissemination to member-cities. . The Community Partnerships Program (CPP) will provide expert assistance from 14 American cities to Ukrainian municipal partners. CPP operates five Regional Training Centers that provide training to local governments, businesses and NGOs. A newsletter and a journal with ideas and relevant news for local governments are distributed to more than 4,000 subscribers. Carryover funds will be used for continuing operations. USAID will assist local governments to improve their management of water, wastewater and district heating systems through the Tariff Reform and Communal Services Enterprises Restructuring project (TRCSER). Twenty communal service enterprises will receive assistance for service improvements. Carryover funds will be used to fund TRCSER. USAID will launch a project for Local Economic Development (LED) to increase profits and employment for businesses in 50 cities. The project will train up to 20 Ukrainian local government organizations to provide consulting for community economic development. Principal contractors and grantees: Research Triangle Institute (RTI) (prime); The U.S.-Ukraine Foundation (prime); PADCO; and for LED, a contractor/grantee to be determined.

Parliamentary strengthening efforts (\$1,000,000 FSA). The program will support three outcomes: establishment of an effective and democratic management system in Parliament, improving legislative-executive relations, and increasing access and feedback of citizens to the legislative process. The Parliamentary Development Project (PDP) will provide comparative information on various aspects of the legislative process through research and analysis of legislative and parliamentary issues, and consultations with international experts. PDP will facilitate the planning of committee hearings. USAID's technical and financial support will provide parliamentarians and staff analytical guidance and advice on draft laws and legislative processes to increase the efficiency of the legislative process. USAID will support policy analysis workshops for parliamentary staff and interns; organize events on parliamentary oversight, and disseminate at least six information bulletins on legislative issues. PDP will administer the Parliamentary Internship Program for more than 50 university students from all regions of Ukraine to help committees prepare draft legislation; conduct research, and compile comparative information. Contractor/grantee: Indiana University (prime).

Adherence to rule of law (\$800,000 FSA carryover). USAID will continue its advocacy and judicial programs to address the legal aspects arising from the upcoming presidential elections. Building on the FY 2003 success of the Expert Consultation Center in human rights, resources will be expanded to

include academic experts in criminal law, civil and family law, commercial law, and human rights. USAID will train advocates in preparation for the October 2004 presidential election. As a result, judges will obtain tools and knowledge necessary to adjudicate election-related cases. Further implementation of the Case Flow Management System (CFMS) in Ukraine's courts will be the main focus of USAID's judicial reform activities which will introduce CFMS to 12 courts. USAID will work with judicial associations to further their abilities to protect the rights of judges, demand proper compensation and appropriate workloads, and arrange for judicial trainings and networking. Contractor/grantee: American Bar Association's Central and Eastern European Law Initiative (prime).

FY 2005 Program:

Local self-governance (\$6,921,000 FSA). The CPP and LED projects will continue. USAID is considering new local government programs: Communal Services Reform Rollout and Training Capacity Building for the AUC. Prior USAID projects developed two groups of Ukrainian local government expertise: a group of 30 technical experts in communal service enterprises included in the TRCSER project, and the AUC. USAID is considering providing funding for further consulting with municipal utilities and training of local government professionals and elected officials.

Transparency and openness of the legislative process (\$1,196,000 FSA). USAID will facilitate greater transparency and openness of the legislative process, an efficient internal management system in the Parliament, and improved legislative-executive relations. PDP will prepare manuals and training sessions that will cover important areas of the legislative process, including staff preparation and training, training on policy analysis, and legislative drafting techniques.

Performance and Results: The 2001 Budget Code that introduced formula-based intergovernmental fiscal transfers now includes funding for capital expenditures. USAID developed the guidelines for setting water, wastewater, and heating tariffs. As a result, city operating deficits decreased. USAID assists 20 cities to improve management, technical and energy savings systems to reduce operating costs. The AUC has completed building its network of 25 offices that serve every oblast in Ukraine by providing technical expertise to improve municipal services. The AUC membership has grown to 80 percent of all cities in Ukraine. It successfully advocated for the law "On Municipal Property Rights," contributed to an important amendment to the "Law on Local Self-Governance," and assisted 130 small cities to improve their budgeting and financial management. USAID supports five Regional Training Centers for local government officials, civil society NGOs and business associations teaching more than 50 training modules in approximately 7,000 communities. The purpose of the Communal Services activity is to improve the efficiency of communal service delivery, specifically to increase the quality of water and improve district heating systems. Twenty cities assisted by USAID adopted management reforms, resulting in cost savings and municipal services improvement.

USAID expects that, by the end of FY 2004, several parliamentary committees will draft reform legislation. Training seminars, policy analysis, hearings, and distribution of analytical papers will contribute to more transparent and effective legislative processes. By the end of the program, USAID's assistance in improving regional court systems' case management capacities will enable regional partners to pursue their professional duties without USAID funding. The advocacy network will also have representation in each oblast. Court efficiency, measured by decreasing case backlog in courts that use the full CFMS, will rise, as each additional court becomes integrated into the system.